A Sustainable Future for El Paso



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Overview

- What is "sustainability"
- How are we doing the job in El Paso?
- Thinking systemically
- Principles for building a sustainable community:
 - Plug the leaks
 - Support existing business
 - Encourage new local enterprise
 - Recruit compatible new business
- Sustainable housing: Where do we go from here?



What is "sustainability"

- Meeting the needs of the present without compromising the ability of future generations to meet their own needs.
- The use of ecosystems and their resources in a manner that satisfies current needs while allowing them to persist in the long term.
- When a process is sustainable, it can be carried out over and over without negative environmental effects or impossibly high costs to anyone involved.



How are we doing here?

Measures (RMI)

Daily traffic congestion • US rank 48th

- Air quality
- Employment
- Housing
- Education
- Energy and water use
- Voter turnout
- Land use
- Recycling

- "Non-attainment" area
- 8.5% vs. US avg. 5.2%
- Good affordability (1.01 THAI ratio)

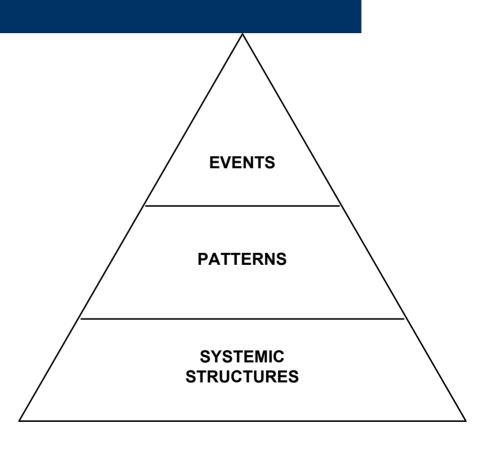
El Paso

- 31.9% adults lack H.S. diploma
- Declining water use; 2.4% annual electric growth
- 13% in last election!
- 50%+ fully developed (1999)
- Just starting voluntary



Thinking systemically as a path to sustainability

Thinking systemically involves looking beyond the superficial layer of events to see the larger processes at work in a situation.



The pyramid of perceptions
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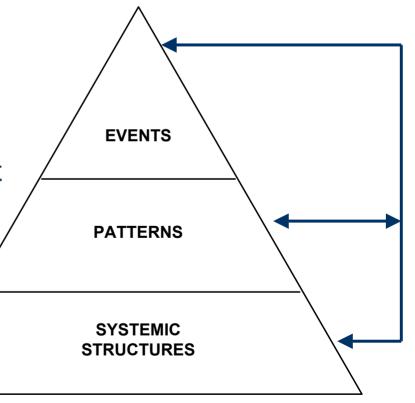


A systemic view of housing

Events = home sales, home prices, selection, affordability, development

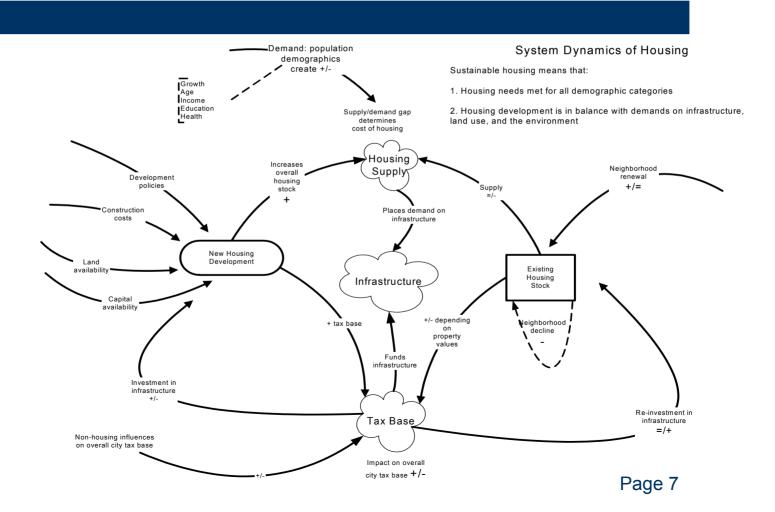
Pattern = deteriorating central district; vibrant fringe development (36 and 38 ZIPs)

Structures = income
demographics; central
disinvestment; City policies that
guide development; neighborhood
organizations





A whole systems approach (housing example)





Sustainability principles: 1) Plug the leaks

- Each \$1-a-1,000-board-feet change in the price of lumber represents \$20 in the cost of an average house. – WSJ.
 - Current price is \$376, up from \$285 in 2003 risen
- A 1500 ft² home uses about \$6,500 in lumber expense @\$350 per 1000 board ft
- El Paso had 4,800+ SF home permits in 2003 = \$ 31MM in lumber costs, and likely twice that figure is closer to reality!
- How does this apply to energy? Food?
 Fiber? How do we begin to minimize these outgoing flows of community wealth?





Sustainability principles: 2) Support existing business

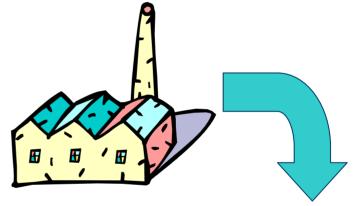
- Encourage local businesses to become more efficient and successful...
- ...Especially small businesses
- Some ways are:
 - University extension programs
 - Small business lending and micro-lending
 - Buy-local policies
 - CDCs and co-ops
 - Tax credits and relief for new investment





Sustainability principles: 3) Encourage new local enterprise

- How much of that \$31MM++ of lumber cost could be substituted with locally-made materials?
- How many jobs would that create? New business tax base?
- Could the same happen with the other areas, e.g., energy, fiber, food?

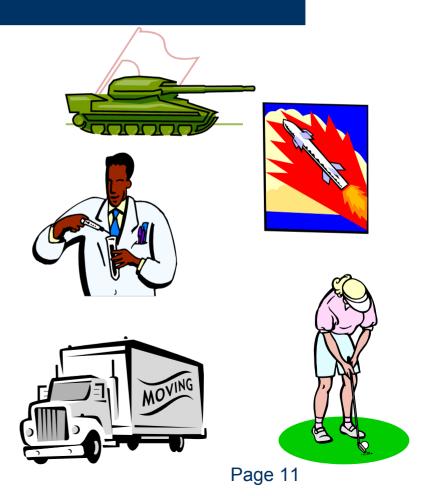






Sustainability principles: 4) Recruit compatible new business

- Some business are not compatible with El Paso. What are they?
- But, there is great potential to recruit new businesses that feed off opportunity here:
 - Military services and defense technology
 - Medical research
 - Retirement communities
 - Logistics and Border security





Sustainable housing: Where do we go from here?

- Housing needs met for all demographic groups:
 - Low and median income
 - Both rental and ownership opportunities available
- And...
 - Housing development is <u>in balance</u> with other needs of the community, e.g., land, water, recreation, transportation, schools, infrastructure, etc.



Resources

- http://www.rmi.org/ The Rocky Mountain Institute is a nonprofit organization that fosters the efficient and restorative use of natural, human and other capital, including sustainable building and community design. Some RMI publications include:
 - Natural Capitalism: Creating the Next Industrial Revolution. In this groundbreaking blueprint for leading business, visionaries explain how the world is on the verge of a new industrial revolution.
 - Economic Renewal Guide. This field-tested manual describes how a few energetic people can help steer their community toward development that's sensitive to local values and the environment.
 - A Primer on Sustainable Building. This book demonstrates how a holistic approach to design can result in a building even better than the sum of its parts.
- http://www.sustainer.org/ The Sustainability Institute, a think-tank dedicated to sustainable resource use, economics and community. The site has lots of good links, papers and downloads on this subject.
- http://www.sustainable.doe.gov/ U.S. Department of Energy's Smart Communities Network. This is a menu of information and services on how a community can adopt sustainable development as a strategy for well-being, including housing and land development strategies.
- http://www.borderecoweb.sdsu.edu/ The Border EcoWeb is designed to facilitate public access to environmental and sustainable development information for the U.S.-Mexican border region.



Jerry Kurtyka - Bio

Jerry Kurtyka is the Executive Director of the El Paso Housing Finance Corporation that was recognized for "Outstanding Origination" in 2004 by TALHFA, its State association. His background includes 35 years of diverse domestic and international experience in banking, marketing, enterprise software technology, and management consulting. He has authored articles and speeches on the application of systems theory and thinking to marketing and business strategy. Jerry holds a B.A. in Economics from Lawrence University and an M.A. in Organizational Systems from the Saybrook Graduate School.